

DRAFT Budget Committee Meeting Minutes- February 8, 2024

Open the Meeting and Roll Call

- Chair Cutting opened the Budget Committee Meeting at 7:02 PM. Chair Seidel opened the Select Board meeting at 7:02 PM.
 - *Present:* Michael Cutting (chair), Robert Blake, Richard Bixby, James Sherman, Michelle Kendrick, Harold Blanchette, Ray Martin, Allan Brown
 - *Also Present:* Harry Seidel, Faith Minton, Clyde Carson, Georgia Flanders

Previous Meeting- Debrief

- Estimated Tax Rate: \$11.63
 - Estimated tax rates are typically a worst-case scenario
- Current Surplus: \$87,000
 - Low percentage of overall budget
 - Doesn't leave much room for emergencies
 - Natural disasters, legal expenses, etc.
- \$50,000 into overlay
 - Overlay: funds set aside for abatements and other tax bill adjustments
- Surplus is lower in 2024 than 2023
 - This will likely translate to less funds to spend to reduce the tax rate
- Expected decline in revenue
 - Revenue is always estimated conservatively
 - Uncertainty of future grants
 - No property to sell
 - No ARPA
- Pressures of inflation, etc. are ongoing
- Better optics if the tax rate increase is below 10%
 - ~\$105,000 needed to bring tax rate to 9.9%
 - ~\$200,000 needed to bring tax rate down to 10%
 - Combination of higher revenue and decreased expenses
- Tax rate typically set in September/October
- More diligent revenue tracking needed
 - Budgeting for operating income
 - Examining revenue earlier in budget process
 - Revenue typically examined after operating budget
 - Looking at revenue to help determine expenses
 - Anticipated vs. unanticipated revenue
- Old Graded School Building Revenue
 - Rent revenue
 - Boys and Girls Club: \$14,497
 - Community Action Program: \$7,400
 - Food Pantry: \$400/month
 - GearUp: \$200/month
 - *Total Annual Rent:* \$29,097
 - \$17,000 donated to CAP annually
 - In the past, nonprofits in building have contributed to maintenance costs of building
 - Warner Connects uses 1/3 of building
- Much of Warner's revenue comes from its residents

- Revaluation may effect tax rate
- Income from Departments
 - Reduced by \$30,000 in 2024
 - Rent from cell tower removed

Minutes

- Feb. 6: Harold Blanchette made a motion to approve the minutes from February 6, 2024. Ray Martin seconded the motion, and the motion passed unanimously.

2024 Warner Village Water District Budget

- Total Operating Budget: \$506,879
 - James Sherman made the motion to approve the Warner Village Water District’s 2024 Budget. Michelle Kendrick seconded the motion. The motion passed unanimously.
- Total Revenue: \$506,900
 - Michelle Kendrick made a motion to approve the Warner Village Water District’s 2024 revenue. Allan Brown seconded the motion, and the motion passed unanimously.

2024 Revenue

- Estimated 2024 Revenue: \$1,209,650
- Revenue will be revisited in the fall
- Estimated Revenue with Adjustments: \$1,280,250
 - \$70,600 added
 - Less conservative estimates of interest on investments, motor vehicles, income from departments, etc.
 - Revenue generally comes in higher than budgeted
 - Would decrease expected tax rate to \$11.41
- Harry Seidel made the motion for the Select Board to amend the estimated 2024 revenue to \$1,280,250. Allan Brown seconded the motion, and the motion passed unanimously.
- Ray Martin made the motion for the Budget Committee accept the estimated 2024 revenue at \$1,280,250. James Sherman seconded the motion. The motion passed unanimously.

2024 Capital Budget/Warrant Articles

- **Article 4:** “Shall the Town vote to raise and appropriate the sum of \$4,565,188.65 (Four million, Five Hundred Sixty-Five Thousand, One Hundred Eighty-Eight Dollars and Sixty-Five Cents) as the 2024 Operating Budget for general municipal operations? This amount does not include appropriations contained in special or individual articles addressed separately.”
 - Allan Brown made the motion to approve Article 4. Robert Blake seconded the motion. The motion passed unanimously.
 - Budget can be amended on the floor of town meeting
- **Article 5:** “Shall we adopt the provisions of RSA 32:5-b, and implement a tax cap whereby the governing body shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year’s actual amount of local taxes raised, by more than 4%?”
 - Michelle Kendrick made the motion to approve Article 5. Harold Blanchette seconded the motion. The motion did not pass, and was unanimously voted down.
 - Guardrails could be helpful, but fixed tax rate of 4% is risky
 - 3/5 majority needed to approve at voting

- Doesn't allow enough leeway for Select Board and Budget Committee to craft a reasonable and coherent budget
- **Article 7:** "To see if the town will vote to allow Warner Connects NH (Warner Area Food Pantry and Family Closet) to conduct their nonprofit (EIN 85-4243224) operation rent free. This action would commence at the end of their current lease and would continue, in their current space, as long as they are servicing the people of our community."
 - Michelle Kendrick made the motion to approve Article. Robert Blake seconded the motion. The motion did not pass, and was voted down unanimously.
 - Money from Family Closet is used to support Food Pantry
 - All staff are volunteers
 - Decision in the hands of the town versus the hands of the Select Board
 - Fairness to other nonprofits in buildings must be considered
- **Article 9:** "Shall the Town vote to raise and appropriate \$20,000 (Twenty Thousand Dollars) to be placed in the previously established Preservation of Town Records Capital Reserve Fund?"
 - Michelle Kendrick made the motion to approve Article 9. James Sherman seconded the motion. The motion passed unanimously.
- **Article 10:** "Shall the Town vote to raise and appropriate \$25,000 (Twenty-Five Thousand Dollars) to be placed in the previously established Police Department Vehicle Capital Reserve Fund?"
 - Allan Brown made the motion to approve Article 10. Michelle Kendrick seconded the motion. The motion passed unanimously.
- **Article 11:** "Shall the Town vote to appropriate the sum of \$47,070.40 (Forty-Seven Thousand Seventy Dollars and Forty Cents) to be placed into the previously established Bridge Repair/Replacement Capital Reserve Fund, this sum to come from unanticipated Highway Block Grant Funds?"
 - Michelle Kendrick made the motion to approve Article 11. Ray Martin seconded the motion. The motion passed unanimously.
- **Article 12:** "Shall the Town vote to raise and appropriate the sum of \$100,000 (One Hundred Thousand Dollars) to be added to the previously established Highway Equipment Capital Reserve Fund?"
 - James Sherman made the motion to approve Article. Harold Blanchette seconded the motion. The motion passed unanimously.
- **Article 13:** "Shall the Town vote to appropriate \$36,658.74 (Thirty-Six Thousand Six Hundred Fifty-Eight Dollars and Seventy-Four Cents) to be placed into the previously established Highway Equipment Capital Reserve Fund, this sum to come from unanticipated Highway Block Grant Funds?"
 - Allan Brown made the motion to approve Article 13. Robert Blake seconded the motion. The motion passed unanimously.
- **Article 14:** "Shall the Town vote to raise and appropriate \$50,000 (Fifty Thousand Dollars) to be placed in the previously established Transfer Station Facility Project Capital Reserve Fund?"
 - Michelle Kendrick made the motion to approve Article 14. Richard Bixby seconded the motion. The motion passed unanimously.
- **Article 15:** "Shall the Town vote to raise and appropriate \$37,000 (Thirty-Seven Thousand Dollars) to be placed in the previously established Fire Fighter Equipment Capital Reserve Fund?"
 - Harold Blanchette made the motion to approve Article 15. Allan Brown seconded the motion. The motion passed unanimously.

- **Article 16:** “Shall the town vote to raise and appropriate \$125,000 (One Hundred Twenty-Five Thousand Dollars) to be placed in the previously established Fire & Rescue Vehicles Capital Reserve Fund?”
 - Michelle Kendrick made the motion to approve Article 16. Harold Blanchette seconded the motion. The motion passed unanimously.
- **Article 17:** “Shall the Town vote to appropriate \$115,000 (One Hundred Fifteen Thousand Dollars) to be added to the previously established Property Revaluation Capital Reserve Fund, this sum to come from unassigned fund balance?”
 - Robert Blake made the motion to approve Article 17. Ray Martin seconded the motion. The motion passed unanimously.
- **Article 18:** “Shall the Town adopt the provisions of RSA 72:61-64 inclusively, which provides for an optional property tax exemption from the property’s assessed value, for the property tax purposes, for persons owning real property, which is equipped with solar energy systems intended for use at the immediate site. Such property tax exemption shall be in an amount equal to 100% of the assessed value of the qualifying solar energy system equipment under these statutes.”
 - Michelle Kendrick made the motion to approve Article 18. James Sherman seconded the motion. The motion passed unanimously.
 - Wording changed for compliance with state law
- **Article 19:** “Shall the Town vote to establish a contingency fund for the current year for unanticipated expenses that may arise and further to raise and appropriate the amount of \$10,000 (Ten Thousand Dollars) to be placed into the fund, this sum to come from unassigned fund balance. Any appropriation left in the fund at the end of the year will lapse to the General Fund.”
 - Harold Blanchette made the motion to approve Article 19. Allan Brown seconded the motion. The motion passed 6 to 1.

Next Scheduled Meeting: April

Ray Martin made a motion to adjourn the Budget Committee meeting. Michelle Kendrick seconded the motion, and the motion passed unanimously. The meeting was adjourned at 8:48 PM.

Faith Minton made a motion to adjourn the Select Board meeting. Allan Brown seconded the motion, and the motion passed unanimously. The meeting was adjourned at 8:48 PM.

Respectfully Submitted,
 Georgia Flanders
 Zoom Administrator